SENATE EDUCATION EXHIBIT NO. 2

1-29-07

2007 Montana Legislature

SENATE BILL NO. 291

INTRODUCED BY G. PERRY

from Michael Redburn, Bozeman

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MORATORIUM ON NEW SCHOOL DISTRICTS TO ALLOW CREATION UNDER CERTAIN CIRCUMSTANCES OF A HIGH SCHOOL DISTRICT SOLELY FOR THE PURPOSE OF EXPANDING AN ELEMENTARY DISTRICT INTO A K-12 SCHOOL DISTRICT; ESTABLISHING PROCEDURES FOR CREATION BY TRUSTEE RESOLUTION; AMENDING SECTION 20-6-104, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

<u>NEW SECTION.</u> Section 1. Procedure for creation of high school district solely for expansion into K-12 school district -- trustee resolution. (1) An existing elementary district may create a high school district solely for the purpose of expanding an elementary district into a K-12 district only if:

- (a) the nearest elementary school building is located at a distance of at least 40 miles from the nearest accessible high school;
- (b) the trip from the nearest elementary school building to the nearest accessible high school is 60 minutes or more over the shortest passable route;
- (c) periodically during the school year, the condition of the road makes it impractical to attend the nearest accessible high school; and
- (d) the newly created K 12 district will enroll at least 50 high school students reside in the elementary district within 3 years after the effective date of the creation of the new district.
- (2) The creation of a new high school district may be requested by the trustees of an existing elementary district through passage of a resolution that includes the information outlined in 20-6-105(3) and requests the county superintendent to order an election to allow

the electors of the elementary district to consider the proposition to create a high school district solely for the purpose of expanding the elementary school district into a K-12 district.

- (3) If the proposition for expansion is approved by the electors of the elementary district and the trustees issue a certificate of election as provided in 20-20-416, the county superintendent shall order the creation of the high school district and oversee the expansion of the high school district into a K-12 district pursuant to 20-6-701.
- (4) The county superintendent shall send a copy of the order to the board of county commissioners and to the trustees of the districts affected by the creation of the district.
- (5) If a new district is created, the effective date of its creation is the following July 1. The trustees of the elementary district must be designated as the trustees of the new K-12 district.
- that the new K-12 district is ready to accept students, the existing high school district shall provide high school instruction to students in the newly created K-12 district with the K-12 district providing tuition pursuant to the provisions of 20-5-320 and 20-5-321.

 The BASE budget mills for the existing high school district shall also be assessed against the taxable valuation in the new K-12 district until the first full school year in which the high school program is operational in the new K-12 district. The existing high school district shall record these taxes as non-levy revenue to reduce the BASE budget levies for the district.
- (7) If there has been bonded indebtedness approved by the voters of the existing high school district prior to the creation of the new K-12 district, but the bonds have not been sold prior to the creation of the new K-12 district, the future indebtedness of those bonds when sold shall be paid by levies on the original territory.
- (78) If the K-12 school district does not open and operate a high school within 3 years after the effective date of the creation of the new district, the

order of the county superintendent creating a new district under this section is void, the new district ceases to exist, and the trustees of the new district have no capacity to act. Those trustees retain authority as trustees of the elementary district.

- **Section 2.** Section 20-6-104, MCA, is amended to read:
- "20-6-104. Moratorium on creation of new district -- exception exceptions. (1) A Except as provided in subsections (2) and (3), a school district may not initiate the creation of a new elementary district or a new high school district.
- (2) Pursuant to the provisions of [section 1], the trustees or the electors of an existing elementary district may initiate the creation of a new high school district solely for the purpose of expanding into a K-12 district.
- $\frac{(2)}{(3)}$ This section The moratorium in subsection $\underline{(1)}$ does not apply to a district that results from the procedure for the dissolution of a K-12 school district pursuant to 20-6-704."

NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 20, chapter 6, part 3, and the provisions of Title 20, chapter 6, part 3, apply to [section 1].

NEW SECTION. Section 4. Effective date -- applicability. [This act] is effective on passage and approval and applies to the creation of new districts on or after [the effective date of this act].